

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Rate Adjustment Due to Extraordinary
or Exceptional Circumstances

Docket No. R2013-11

PRESIDING OFFICER'S INFORMATION REQUEST NO. 17

(Issued May 11, 2015)

To further clarify the amount of exigent surcharge revenue collected, the Postal Service is requested to provide a written response to the following request. The Postal Service shall file revised workpapers for its Revenue Collection Report for Quarter 1 FY 2015 to reflect any corrections resulting from its responses to the following questions. The Postal Service shall also make conforming changes to the workpapers filed with its Revenue Collection Report for Quarter 2 of FY 2014, its Revenue Collection Report for Quarter 3 of FY 2014 and its Revenue Collection Report for Quarter 4 of FY 2014. The next quarterly report, the Revenue Collection Report for Quarter 2 of FY 2015, is due on May 15, 2015. The Postal Service should ensure that it is consistent with the corrections the Postal Service makes to previous reports in response to the questions below. The information requested should be provided no later than May 15, 2015.

For the purposes of the following questions, unless indicated otherwise, all the filings referenced are within Docket No. R2013-11.

Standard Mail

1. Please refer to Excel file “ExigSrchgRevSTM(1Q15).xlsx,”¹ tab “Detailed Exig. Rev. Comp.”
 - a. Please confirm that the category “Nonprofit Carrier Route Letters, Flats, and Parcels” does not include the revenues for nonprofit Carrier Route parcels. See tab “HD-Sat-CR Revenue@CPI Prices,” cells D91:E96 and tab “HD-Sat-CR Revenue@Exig. Prices,” cells D88:E93. If not confirmed, please explain.
 - b. If part (a) is confirmed, please file a revised Excel file “ExigSrchgRevSTM(1Q15).xlsx,” that includes nonprofit Carrier Route parcels in tab “Detailed Exig. Rev. Comp.”
2. Please refer to Excel file “ExigSrchgRevSTM(1Q15).xlsx,” tab “Detailed Exig. Rev. Comp” and Response to POIR 3, question 3 filed on June 6, 2014.
 - a. Please confirm that the revenues associated with the following categories should be included in their respective High Density and Saturation exigent price change calculation:
 - i. Every Door Direct Mail–Commercial (Commercial) (row 38)
 - ii. Every Door Direct Mail–Commercial (Nonprofit) (row 39)
 - iii. Detached Address Label–Commercial (row 40)
 - iv. Detached Address Label–Non-profit (row 41)
 - v. IMb Adjustment (row 42)
 - b. If part (a) is confirmed, please file a revised Excel file “ExigSrchgRevSTM(1Q15).xlsx,” that includes the categories listed in part (a). If part (a) is not confirmed, please explain.

¹ See the Revenue Collection Report for Quarter 1 of FY 2015, filed on March 17, 2015.

3. Please refer to Excel file “ExigSrchgRevSTM(1Q15).xlsx,” tab “Branded Color Mobile Tech Prom.”
 - a. Please provide the underlying calculations used to determine the Branded Color Mobile Technology Promotion’s exigent surcharge revenue adjustment. (See column F.)
 - b. As illustrated in POIR No. 13, question 4, filed on June 6, 2014, the exigent percentage change in prices is used to calculate the promotion’s exigent surcharge revenue adjustment. Therefore, please file a revised Excel file “ExigSrchgRevSTM(1Q15).xlsx,” tab “Branded Color Mobile Tech Prom” that uses the percentage change in exigent prices for High Density and Saturation letters and flats provided in response to 2b.

Periodicals

4. Please confirm that in the file “ExigSrchgRevPER(1Q15).xlsx”² tab “Classroom BD” cell D7, DFSS pounds should be 498. If not confirmed, please explain.
5. Please confirm that in the file “ExigSrchgRevPER(1Q15).xlsx” tab “Regular Rate BD” cells E166 to E173 should be in cells E167 to E174. If not confirmed, please explain.
6. In the file “ExigSrchgRevPER(1Q15).xlsx” tab “Regular Rate BD” cell E183 contains a formula that references spreadsheets not provided by the Postal Service. Please provide the spreadsheets referenced in cell E183.

Package Services

7. In Excel file “ExigSrchgRevPACK-SERV(4Q14).xlsx,”³ the Postal Service reports the FY 2014 Quarter 4 billing determinants for Alaska Bypass in tab “Alaska Bypass BD.”

² See the Revenue Collection Report for Quarter 1 of FY 2015, filed on March 27, 2015.

- a. Please confirm that the billing determinants used in the calculation of revenue accumulated from the exigent surcharge on tabs “Alaska Bypass @ R2013-10 Prices” and “AK Bypass Rev @ R2013-11 Prices” do not match the billing determinants in tab “Alaska Bypass BD.” If not confirmed, please explain.
 - b. If part (a) is confirmed, please revise Excel file “ExigSrchgRevPACK-SERV(4Q14).xlsx,” and Excel file “ExigSrchgRevCUMLT(2-4Q14, 1Q15).xlsx,”⁴ to reflect the FY 2014 Quarter 4 billing determinants for Alaska Bypass in tab “Alaska Bypass BD.”
 - c. If part (a) is confirmed, please also revise Excel file “ExigSrchgRevCUMLT(2-4Q14, 1Q15).xlsx,”⁵ to reflect the corrections made in part b.
8. In Docket No. R2015-4, on March 12, 2015, the Postal Service filed updated FY 2014 Quarter 4 billing determinants for Bound Printed Matter in Library Reference USPS-LR-R2015-4/9 in Excel file “BPM_BDs_2014--Q4_3-12.xlsx.”
- a. Please revise Excel file “ExigSrchgRevPACK-SERV(4Q14).xlsx,”⁶ to reflect the updated billing determinants in USPS-LR-R2015-4/9.
 - b. Please revise Excel file “ExigSrchgRevCUMLT(2-4Q14, 1Q15).xlsx,”⁷ to reflect the corrections made in part(a).

³ See the Revenue Collection Report for Quarter 4 of FY 2014, filed on November 18, 2014.

⁴ See the Revenue Collection Report for Quarter 1 of FY 2015, filed on March 27, 2015.

⁵ See the Revenue Collection Report for Quarter 1 of FY 2015, filed on March 27, 2015.

⁶ See the Revenue Collection Report for Quarter 4 of FY 2014, filed on November 18, 2014.

⁷ See the Revenue Collection Report for Quarter 1 of FY 2015, filed on March 27, 2015.

Special Services

9. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx.”⁸ Please confirm that in tab “G-1 Address Correction,” cell D27, the volume should be 13,335 (revenue from cell E27 divided by the Docket No. R2013-11 price in cell M18). If not confirmed, please explain.
10. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “G-5 Bulk Parcel Return Service.”
 - a. Please provide the source (data system) of the values in column C. If the values result from calculations, please provide the calculations including the source of all inputs.
 - b. Please confirm that the volume in cell C10 should be 80,908 (revenue from cell D10 divided by the Docket No. R2013-11 price in cell J9). If not confirmed, please explain.
11. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “G-2 Business Reply Mail.”
 - a. Please provide the source (data system) of the values in column C. If the values result from calculations, please provide the calculations including the source of all inputs.
 - b. Please confirm that the values in cells I22 and I23 should be 47 and 2,746, respectively (revenue from cell D10 divided by the Docket No. R2013-11 prices in cells K22 and K23, respectively). If not confirmed, please explain.
12. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “G-3 Certificates of Mailing.” Please confirm that cells D41, D42, and D43 should be 1,569,323, 5,394, and 3,986 respectively (revenues from cells C41, C42, and C43 divided by their respective Docket No. R2013-11 prices in column J). If not confirmed, please explain.

⁸ See the Revenue Collection Report for Quarter 1 of FY 2015, filed on March 27, 2015.

13. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-1 Certified Mail.”
 - a. Please provide the source (data system) of the values in column C. If the values result from calculations, please provide the calculations including the source of all inputs.
 - b. Please confirm that the value in cell C9 should be 47,281,279 (revenue from cell D9 divided by the Docket No. R2013-11 price in cell H10). If not confirmed, please explain.
14. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-2 COD.” Please reconcile the revenues in cell C34 and cell L27.
15. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-11 USPS Tracking.”
 - a. Please provide the source (data system) of the values in column C. If the values result from calculations, please provide the calculations including the source of all inputs.
 - b. Please confirm that the values in cells C11 and C16 should be 5,357,807 and 833,665, (revenues in cell D11 and D16 divided by the Docket No. R2013-11 price in cell I7). If not confirmed, please explain.
16. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “H-7 CC Authentication.”
 - a. Please provide the source (data system) of the value in cell C9. If the value results from a calculation, please provide the calculation including the source of all inputs.
 - b. Please confirm that the value in cell C9 should be 3,291,140 (revenue in cell C7 divided by the Docket No. R2013-11 price in cell H8). If not confirmed, please explain.
17. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx.” Please reconcile cells C52 and K43 in tab “F-6 Registered Mail.”

18. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-7 Restricted Delivery.”
 - a. Please provide the source (data system) of the value in cell C8. If the value results from a calculation, please provide the calculation including the source of all inputs.
 - b. Please confirm that the value in cell C8 should be 361,700 (revenue in cell D8 divided by the Docket No. R2013-11 price in cell I7). If not confirmed, please explain.
19. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “H-4 First Class Presort Permits.”
 - a. Please provide the source (data system) for the value in cell C8. If this value results from a calculation, please provide the calculation including the source of all inputs.
 - b. Please reconcile the volume of paid First-Class Mail Presort Permits in cell C8 with the volume calculated by dividing revenue in cell C6 by the R2013-11 price in cell H7 ($\$1,520,640/\$220 = \$6,912$).
20. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “J-1-2-3 Other Income.”
 - a. Please provide the source (data system) of the value in cell G9.
 - b. Please confirm that the value in G8 should be 61,407 (the revenue in cell D12 minus the revenue for Zip Coding of Mailing Lists (4 times the R2013-11 price in I9 divided by the R2013-11 price in I8). If not confirmed, please explain.
 - c. Please confirm that the value in cell G7 should be 8,201 (the revenue in cell D9 divided by the R2013-11 price in I7). If not confirmed, please explain.
 - d. Please confirm that the value in cell G10 should be 2,590 (the revenue in cell D16 divided by the R2013-11 price in I10). If not confirmed, please explain.

21. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “Exigent Surcharge Revenue.”
 - a. Please provide the source (the data system) of the value in cell E65.
 - b. Please reconcile the value in cell E65, with cell I33 in “Q115_MKT_DOMINANT_INTL_BD.xls,” workbook tab “INTL FEES & SERVICES.”
22. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-3 Insurance.”
 - a. Please provide the source (data system) for cells C8 through C60. If these values result from a calculation, please provide the calculations including sources of all inputs.
 - b. Please reconcile the revenue in cell C66 with the revenue in cell K62.
 - c. Please reconcile the revenue in cell C67 with the revenue in cell K61.
 - d. Please reconcile the revenue in cell C64 with the revenue in cell K59.
 - e. Please confirm that the Bulk Insurance Revenue in cell C66 divided by the Bulk Insurance volume in cell C60 equals a unit revenue of \$5.00. If confirmed, please explain why the calculated unit revenue differs from the Docket No. R2013-11 price (\$4.48 in cell H62). If not confirmed, please explain.
 - f. Please confirm that the MRS Insurance Revenue in cell C67 divided by the MRS volume in cell C59 equals a unit revenue of \$7.00. If confirmed, please explain why the calculated unit revenue differs from the Docket No. R2013-11 price (\$7.32 in cell H61). If not confirmed, please explain.
23. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-3a Express Mail Insurance.”
 - a. Please provide the source (data system) for cells C9 through C19. If these values result from a calculation, please provide the calculations including sources of all inputs.
 - b. Please reconcile the revenues in cell C23 and cell L19.

24. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-5 Money Orders.”
- Please provide the source (the data system) for the values in column C. If these values result from a calculation, please provide the calculations including sources of all inputs.
 - Please reconcile the revenues in column D with the revenues in column L.
25. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-4 PO Boxes.”
- Please confirm that the values in cells C8 through G14 represent the number of P.O. Boxes that were leased and paid for in Quarter 1 of FY 2015, not the total number of P.O. Boxes being leased including those that were paid for in a previous quarter. If not confirmed, please explain.
 - Please confirm that the volume of 6-month leases in cells C65 through G71 should be the total volume of 6-month leases in cell C31 multiplied by the distribution key proportions in cells C36 through G42. If not confirmed, please explain.
 - Please confirm that the revenue in cell O168 includes revenues for the products “Duplicate Key” and “Lock Replacement.” If not confirmed, please explain.
26. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “Exigent Surcharge Revenue.”
- Please confirm that the value in cell E30 should be 6,641 from workbook tab “F-14 Premium Stamped Cards” cell C7. If not confirmed, please explain.
 - Please confirm that the value in cell D30 should be 6,446 (6,641 divided by (0.34/0.33)). If not confirmed, please explain.
27. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “Exigent Surcharge Revenue.”
- Please confirm that the value in cell E31 should be 602 from tab “F-15 Premium Stamped Stationery” cell C6. If not confirmed, please explain.

- b. Please confirm that the value in cell D31 should be 577 (602 divided by (0.49/0.47)). If not confirmed, please explain.
- 28. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-12 Signature Confirmation.”
 - a. Please provide the source (data system) for the values in column C. If these values result from a calculation, please provide the calculations including sources of all inputs.
 - b. Please reconcile the revenues in column D with the revenues in column M.
- 29. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-17 SFS.”
 - a. Please provide the source (data system) for the values in column cells C12 and C13. If these values result from a calculation, please provide the calculations including sources of all inputs.
 - b. For Custom Order and International, the transaction volumes in Column C equal the revenues in Column D divided by the Docket No. R2013-10 prices. Please confirm that the number of transactions in cells C12 and C13 should be 349 and 983, respectively (revenues from cells D12 and D13 divided by the Docket No. R2013-11 prices in cells J10 and J11). If not confirmed, please explain.
- 30. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-10 Stamped Cards.”
 - a. Please provide the source (data system) for the values in column C. If these values result from a calculation, please provide the calculations including sources of all inputs.
 - b. The transaction volume in cell C11 equals the revenue in cell D11 divided by the Docket No. R2013-10 price in cell H11. Please confirm that the number of transactions in cells C11 should be 1,035 (revenue from cell D11 divided by the R2013-11 price in cell I11). If not confirmed, please explain.

31. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “F-9 Stamped Envelopes.”
- Please provide the source (data system) for the values in column C. If these values result from a calculation, please provide the calculations including sources of all inputs.
 - Please confirm that the volumes in cells C9 and C10 should be 332,477 and 4,742,199 (revenues from cells D9 and D10 divided by the Docket No. R2013-11 price in cell I12). If not confirmed, please explain.
 - Please confirm that the volume in cell C37 should be 7,422 (revenue in cell D37 divided by the Docket No. R2013-11 price in I24). If not confirmed, please explain.
 - Please confirm that the volume in cell C38 should be 1,515 (revenue in cell D38 and divided by the Docket No. R2013-11 price in I25). If not confirmed, please explain.
32. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “Exigent Surcharge Revenue.”
- Please confirm that the value in cell E42 should be 1,106,093, the sum of cells D9 and D10 from workbook tab “G-6 Standard Mail Weighted Fee.” If not confirmed, please explain.
 - Please confirm that the value in cell D42 should be 1,060,946 (1,106,093 divided by (0.49/0.47)). If not confirmed, please explain.
33. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “AEC II.”
- Please provide the source (data system) for the value in cell B8. If this value results from a calculation, please provide the calculations including sources of all inputs.
 - Please confirm that the Address Element Correction revenue in cell C8 divided by the Address Element Correction volume in cell B8 equals a unit revenue of \$0.33. If confirmed, please explain why the calculated unit

revenue differs from the Docket No. R2013-11 price (\$0.32 in cell H7). If not confirmed, please explain.

34. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “City State.”
 - a. Please provide the source (data system) for the value in cell C8. If this value results from a calculation, please provide the calculations including sources of all inputs.
 - b. Please confirm that the revenue in cell D8 divided by the volume in cell C8 equals a unit revenue of \$410.27. If confirmed, please explain the discrepancy between calculated unit revenue and the Docket No. R2013-11 price (\$410.00 in cell I8). If not confirmed, please explain.
35. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “Z4 (ZIP 4) Change.”
 - a. Please provide the source (data system) for the value in cell C9. If this value results from a calculation, please provide the calculations including sources of all inputs.
 - b. Please confirm that the revenue in cell D9 divided by the volume in cell C9 equals a unit revenue of \$3,550. If confirmed, please explain why the calculated unit revenue differs from the Docket No. R2013-11 price (\$3,545 in cell I8). If not confirmed, please explain.
36. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “National Zone Charts.”
 - a. Please provide the source (data system) for the value in cell C9. If this value results from a calculation, please provide the calculations including sources of all inputs.
 - b. Please confirm that the revenue in cell D9 divided by the volume in cell C9 equals a unit revenue of \$66. If confirmed, please explain why the calculated unit revenue differs from the Docket No. R2013-11 price (\$63 in cell I9). If not confirmed, please explain.
37. Please refer to file “ExigSrchgRevSPEC-SERV(1Q15).xlsx,” tab “NCOALink.”

- a. Please provide the source (data system) for the values in column C. If these values result from a calculation, please provide the calculations including sources of all inputs.
- b. Please confirm that the revenue in cell D9 divided by the volume in cell C9 equals a unit revenue of \$1,175. If confirmed, please explain the discrepancy between the calculated unit revenue and the Docket No. R2013-11 price (\$6,050 in cell I9). If not confirmed, please explain.
- c. Please confirm that there should be no entries in cells C15 and D15. If not confirmed, please explain and show how the entries affect the exigency surcharge calculation.
- d. Please confirm that the revenue in cell D16 divided by the volume in cell C16 equals a unit revenue of \$8,865. If confirmed, please explain the discrepancy between the calculated unit revenue and the Docket No. R2013-11 price (\$17,700 in cell I16). If not confirmed, please explain.
- e. Please confirm that the revenue in cell D17 divided by the volume in cell C17 equals a unit revenue of \$8,773. If confirmed, please explain the discrepancy between the calculated unit revenue and the Docket No. R2013-11 price (\$8,865 in cell I17). If not confirmed, please explain.
- f. Please confirm that the revenue in cell D20 divided by the volume in cell C20 equals a unit revenue of \$20,052. If confirmed, please explain the discrepancy between the calculated unit revenue and the Docket No. R2013-11 price (\$8,865 in cell I21). If not confirmed, please explain.

- g. Please confirm that the revenue in cell D22 divided by the volume in cell C22 equals a unit revenue of \$1,567. If confirmed, please explain the discrepancy between the calculated unit revenue and the Docket No. R2013-11 price (\$4,175 in cell I17). If not confirmed, please explain.
- h. Please reconcile the revenue in cell D31 with the revenue calculated in L32.

Robert G. Taub
Presiding Officer